



**MICHIGAN**  
**HOUSE OF REPRESENTATIVES**  
P.O. Box 30014  
LANSING, MICHIGAN 48909-7514

**MINUTES OF THE COMMITTEE**  
**ON**  
**FINANCIAL SERVICES**

Tuesday, November 10, 2015                      8:15 a.m.                      Room 307 House Office Building

The House Standing Committee on Financial Services was called to order by Chairman Forlini.

Members present: Reps. Forlini, Pettalia, Callton, Graves, Lucido, Theis, Yanez, Clemente, Gay-Dagnogo, Love.

Members absent/excused: None.

Representative Yanez moved to adopt the minutes of November 4, 2015. There being no objection, the motion prevailed by unanimous consent.

Chairman Forlini laid the following bills before the committee:

HB 5017 (Forlini)      Financial institutions; credit unions; credit union act; make general amendments.

HB 5018 (Pettalia)      Financial institutions; credit unions; administration and operation of credit unions; make certain revisions to credit union act.

HB 5019 (Clemente)      Financial institutions; credit unions; authority to organize or invest in credit union service organizations that provide trust services and other services; revise.

HB 5020 (Theis)      Financial institutions; credit unions; examinations by department of insurance and financial services; revise requirements and provide for confidentiality of certain documents.

HB 5021 (Barrett)      Financial institutions; credit unions; credit union act; revise provisions relating to mergers.

HB 5022 (Love)      Financial institutions; credit unions; loan promotion raffles; authorize.

David Worthams, John Llewellyn, and Patricia Herndon, representing the Michigan Bankers Association, submitted a card in opposition to the bill package and any substitutes but did not wish to speak.

T. Rann Paynter, representing the Michigan Bankers Association, and Judi Sullivan, representing the Community Bankers of Michigan, submitted joint written testimony in opposition to the bill package.

Chair Forlini moved to adopt substitute (H-1) to HB 5017. The substitute (H-1) to HB 5017 was adopted, the vote being 10-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Forlini, Pettalia, Callton, Graves, Lucido, Theis, Yanez, Clemente, Gay-Dagnogo, Love.

Nays: None.

Pass: None.

Chair Forlini offered the following amendments to HB 5017 (H-1):

1. Amend page 14, line 6, after "union" by striking out the balance of the line and inserting "adopted and approved by the **DIRECTOR**."
2. Amend page 43, line 8, after "borrower." by inserting "This subsection does not apply to a corporate credit union."
3. Amend page 43, line 27, after "**GROUP**" by inserting "**SO**".

Chair Forlini moved to adopt the amendments to the bill. The motion prevailed 10-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Forlini, Pettalia, Callton, Graves, Lucido, Theis, Yanez, Clemente, Gay-Dagnogo, Love.

Nays: None.

Pass: None.

Chair Forlini moved to report out HB 5017 with recommendation, as amended, as substitute (H-2). The motion prevailed 10-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Forlini, Pettalia, Callton, Graves, Lucido, Theis, Yanez, Clemente, Gay-Dagnogo, Love.

Nays: None.

Pass: None.

Representative Pettalia moved to adopt substitute (H-1) to HB 5018. The substitute (H-1) to HB 5018 was adopted, the vote being 10-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Forlini, Pettalia, Callton, Graves, Lucido, Theis, Yanez, Clemente, Gay-Dagnogo, Love.

Nays: None.

Pass: None.

Representative Pettalia moved to report out HB 5018 with recommendation as substitute (H-1). The motion prevailed 10-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Forlini, Pettalia, Callton, Graves, Lucido, Theis, Yanez, Clemente, Gay-Dagnogo, Love.

Nays: None.

Pass: None.

Representative Clemente moved to adopt substitute (H-1) to HB 5019. The substitute (H-1) to HB 5019 was adopted, the vote being 10-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Forlini, Pettalia, Callton, Graves, Lucido, Theis, Yanez, Clemente, Gay-Dagnogo, Love.

Nays: None.

Pass: None.

Representative Clemente offered the following amendments to HB 5019 (H-1):

1. Amend page 4, following line 3, by inserting:

**"(v) AGGREGATE DOMESTIC CREDIT UNION RISK EXPOSURE THROUGH ALL FUNDING SOURCES, LOANS, OR INVESTMENTS, TO ANY ENTITY OR GROUP OF RELATED ENTITIES, DOES NOT EXCEED 25% OF NET WORTH."** and renumbering the remaining subparagraph.

2. Amend page 4, line 5, after the first **"SERVICE"** by inserting **"ORGANIZATION"**.

Representative Clemente moved to adopt the amendments to the bill. The motion prevailed 10-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Forlini, Pettalia, Callton, Graves, Lucido, Theis, Yanez, Clemente, Gay-Dagnogo, Love.

Nays: None.

Pass: None.

Representative Clemente moved to report out HB 5019 with recommendation, as amended, as substitute (H-2). The motion prevailed 10-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Forlini, Pettalia, Callton, Graves, Lucido, Theis, Yanez, Clemente, Gay-Dagnogo, Love.

Nays: None.

Pass: None.

Representative Theis moved to adopt substitute (H-1) to HB 5020. The substitute (H-1) to HB 5020 was adopted, the vote being 10-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Forlini, Pettalia, Callton, Graves, Lucido, Theis, Yanez, Clemente, Gay-Dagnogo, Love.

Nays: None.

Pass: None.

Representative Theis moved to report out HB 5020 with recommendation as substitute (H-1).  
The motion prevailed 10-0-0.

**FAVORABLE ROLL CALL**

Yeas: Reps. Forlini, Pettalia, Callton, Graves, Lucido, Theis, Yanez, Clemente, Gay-Dagnogo, Love.

Nays: None.

Pass: None.

Representative Yanez moved to report out HB 5021 with recommendation. The motion prevailed 10-0-0.

**FAVORABLE ROLL CALL**

Yeas: Reps. Forlini, Pettalia, Callton, Graves, Lucido, Theis, Yanez, Clemente, Gay-Dagnogo, Love.

Nays: None.

Pass: None.

Representative Love moved to adopt substitute (H-1) to HB 5022. The substitute (H-1) to HB 5022 was adopted, the vote being 10-0-0.

**FAVORABLE ROLL CALL**

Yeas: Reps. Forlini, Pettalia, Callton, Graves, Lucido, Theis, Yanez, Clemente, Gay-Dagnogo, Love.

Nays: None.

Pass: None.

Representative Love moved to report out HB 5022 with recommendation as substitute (H-1). The motion prevailed 10-0-0.

**FAVORABLE ROLL CALL**

Yeas: Reps. Forlini, Pettalia, Callton, Graves, Lucido, Theis, Yanez, Clemente, Gay-Dagnogo, Love.

Nays: None.

Pass: None.

There being no further business before the committee, Chairman Forlini adjourned the meeting, the time being 8:28 a.m.

**Representative Anthony Forlini, Chair**\_\_\_\_\_

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